



News Release

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Washington, D.C.

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For Release: 3/15/01

Release No: IR-2001-35

IRS PROVIDES NEW MEXICO FIRE VICTIMS ADDITIONAL TIME TO FILE AND PAY TAXES

WASHINGTON – The Internal Revenue Service announced today that it is providing victims of the Cerro Grande Fire an extra nine months to file and pay federal taxes. The fire destroyed more than 40,000 acres in New Mexico last year.

The extra time applies to income, employment, estate, gift and certain excise taxes for individuals and businesses. It covers returns and payments that were due from May 4, 2000 – the day the fire started -- through April 16, 2001, the due date for individual income tax returns.

Affected taxpayers will not be subject to interest or penalties for filing or paying late during this period. They will also be exempt from estimated tax penalties for tax year 2000 if they file by the extended deadline. For example, affected individuals will have until Jan. 16, 2002, to file and pay their taxes for 2000, without interest or penalties on the balance due.

"In addition to providing this relief, we will issue additional guidance on the tax treatment of various payments related to this fire by the end of this month," said IRS Commissioner Charles O. Rossotti.

Taxpayers relying on this relief should put the words "CERRO GRANDE FIRE" in red at the top of any returns filed.

Twenty-one New Mexico counties are included in the Cerro Grande Fire federal disaster area: Bernalillo, Chaves, Cibola, DeBaca, Dona Ana, Eddy, Guadalupe, Lincoln, Los Alamos, McKinley, Mora, Otero, Rio Arriba, San Juan, San Miguel, Sandoval, Santa Fe, Sierra, Socorra, Taos, and Torrance.

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